



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

July 3, 2012

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

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SACRAMENTO UPDATE

This memorandum contains a pursuit of a County position on legislation regarding the California Public Records Act; a change in County position on legislation related to housing; an update on County-sponsored legislation regarding liability protection for flood control operations; status reports on four County-advocacy measures related to: 1) hydraulic fracturing; 2) the International Medical Graduate Pilot Program; 3) CalFresh benefits; and 4) nutritional standards for family child care homes; an update on legislation of County interest regarding foster care; and reports on two measures of County interest related to infrastructure financing districts.

Pursuit of County Position on Legislation

SB 1002 (Yee), which as amended on June 21, 2012, would revise the California Public Records Act (CPRA) to authorize an agency, including local governments, upon request, to provide a copy of public records and documents in an electronic format which is searchable by commonly used software.

This measure would expand current law, established by AB 2799 (Chapter 982, Statutes of 2000), which made various provisions to the CPRA requiring public agencies to make available public records, not otherwise exempt from disclosure, in an electronic format, if the information or record is already maintained electronically. The current statutes do not specify the type of electronic format, and generally allow a government entity to provide a scanned version of a document as an electronic record, versus in a file type that allows the requestor to electronically search the document or even potentially edit it, i.e., an open format. SB 1002 would require, with some exceptions,

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that public agencies provide electronic files in a searchable, more open format. It also requires that entities that would regularly post such records on-line, post them in the open format if available.

The author of SB 1002 states that the bill will ensure an accessible transparent government by providing a clear guideline with a reference standard so that when new mandates pass, or new documents are published online as a matter of course under existing law or regular business, they are in an open and accessible format.

According to the Chief Information Office (CIO), this measure contains unclear and not fully inclusive stipulations and exceptions for when and how open electronic formats should be provided. The CIO notes that as currently written, SB 1002 would likely require the County to devote additional staff resources and develop costly information technology support and software to provide documents and records in a searchable electronic format. The bill attempts to address cost issues by specifying that the requester would bear the cost of converting the electronic record into an open format, including the cost of programming and computer services necessary to produce the electronic record. However, the CIO indicates that in a large, complex county like Los Angeles where many departments run different data systems, including some outdated systems, providing the adequate infrastructure to support individual requests could be costly. If departments do not already maintain existing data software and systems to meet these demands, they would first need to invest in the overall infrastructure to support the conversion of electronic data into open formats, essentially investing in start-up costs that are not readily attributable to individual requests.

County Counsel notes of particular concern are contradictory stipulations in SB 1002 regarding when records can be withheld if they jeopardize or compromise the security or integrity of the original record. According to County Counsel, the bill contains confusing terminology which will likely lead to varying interpretations and related litigation regarding access to public records.

The Executive Office of the Board states that because this measure would require entities to post records on-line in the open format if available, it would pose logistical and possibly costly problems for maintenance the County's expansive online documents. For example, the Executive Office indicates that it maintains an extensive website for the Board and is currently in the midst of a multi-year project to post old statements of proceedings and other historical or records of interest on the Internet. Current plans are to post documents in the form of scanned files that will have very limited, if any, search capacity. According to the Executive Office, the requirement to

post documents in an open format, would add significant costs to its operations. The Executive Office indicates that SB 1002 would likely be a deterrent to making more records available on the Internet, as they would need to reconsider continuation of the ongoing project to convert old imaged records on paper or microfiche, e.g. to digital records for posting on the Internet.

This office opposes SB 1002 for the reasons cited above. Therefore, consistent with policy to oppose legislation that imposes unreasonable burdens or creates unfunded mandates to provide access to records, information managed and maintained by County agencies, **the Sacramento Legislative Advocates will oppose SB 1002.**

SB 1002 is supported by: the American Federation of State, County, and Municipal Employees; AFL-CIO California Aware; California Common Cause; California Council of the Blind; California Faculty Association; California Newspaper Publishers Association; California Teachers Association; San Francisco Public Utilities Commission; UAW Local 5810; and United Reporting Crime Beat News.

The measure is opposed by: the California State Association of Counties, Urban Counties Caucus; Regional Council of Rural Counties; California District Attorneys Association; California Peace Officers' Association; California Police Chiefs Association; Chief Probation Officers of California; City of Cathedral City; Commission on Peace Officer Standards and Training; and League of California Cities.

SB 1002 passed the Assembly Local Government Committee by a vote of 5 to 3 on June 27, 2012. This measure is awaiting a hearing in the Assembly Appropriations Committee.

Change in County Position on Legislation

County-supported AB 542 (Wieckowski), which would have increased the number of housing opportunities by expanding the number of land sites deemed suitable for residential development that can accommodate some portion of the city's or county's regional housing need by income level, was amended on June 27, 2012.

As amended, the bill would now modify the requirements that a city or county must meet in preparing the analysis demonstrating how the adopted densities accommodate the regional housing need for lower income households. Because the bill has been substantively amended, **the Sacramento advocates will remove support of AB 542 and take no position on this measure until an analysis of the new provisions can be completed.** This office is working with the affected departments to review AB 542 as amended for potential County impact.

Status of County-Sponsored Legislation

County-sponsored AB 1558 (Eng and Hernandez), which as introduced on January 26, 2012, would permanently extend conditional immunity on Los Angeles County flood control and groundwater discharge property, passed the Senate Floor by a vote of 38 to 0 on July 2, 2012. This measure now proceeds to the Governor.

Status of County-Advocacy Legislation

County-supported AB 591 (Wieckowski), which as amended on May 9, 2012, would require a person carrying out hydraulic fracturing on behalf of an owner or operator at a well to provide the owner or operator a list of the chemical constituents used in the hydraulic fracturing fluid and information on the amount of water and hydraulic fracturing fluid recovered from the well, was placed on the Senate Appropriations Committee suspense file on July 2, 2012.

County-supported AB 1533 (Mitchell), which as amended on March 21, 2012, would establish the five-year University of California, Los Angeles (UCLA) International Medical Graduate Pilot Program to authorize graduates from foreign medical schools to receive up to 24 weeks of clinical instruction and provide hands-on patient care at UCLA-operated health facilities and teaching sites, passed the Senate Floor by a vote of 38 to 0 on July 2, 2012. This measure now proceeds to the Governor.

County-supported AB 1560 (Fuentes), which as amended on May 25, 2012, would require the California Department of Social Services, to the extent permitted by Federal law, to waive the CalFresh Program gross income test for any individual who is categorically eligible for CalFresh and who is a member of a household that receives, or is eligible to receive, medical assistance under the Medi-Cal program, passed the Senate Human Services Committee by a vote of 4 to 2 on July 2, 2012. This measure now proceeds to the Senate Appropriations Committee.

County-supported AB 1872 (Alejo), which as amended on June 19, 2012, would require: 1) family child care homes (FCCHs) to ensure that any meals and snacks they provide meet the recommended servings under the four basic food groups as specified by the United States Department of Agriculture Child and Adult Care Food Program (CACFP); 2) the State Department of Social services to post information about the CACFP on its Internet website; and 3) FCCHs to post weekly menus in a area open to parents and guardians, passed the Senate Human Services Committee by a vote of 4 to 2 on July 2, 2012. This measure now proceeds to the Senate Appropriations Committee.

Legislation of County Interest

AB 1712 (Beall), which as amended on June 21, 2012, would, among other provisions: 1) include an urgency clause to transfer the approval of Transitional Housing Placement (THP) Plus Foster Care providers, serving non-minor dependents (NMDs), from counties to the California Department of Social Services and add THP-Plus Foster Care as a State licensing category; 2) clarify issues concerning county of residence and inter-county transfers for NMDs; 3) clarify the effect on reunification plans when a minor becomes a NMD; 4) clarify eligibility and contingencies for Adoption Assistance Payments for NMDs who are adopted as adults; 5) clarify NMDs' access to services, including reunification services; 6) clarify Kinship Guardianship Assistance Payment (Kin-GAP) Program and Adoption Assistance Program payments for non-minor former dependents; 7) require a separate court file for a NMD case and the discretion of the county on whether to conduct criminal record checks of NMD's upon re-entry to THP.

The Department of Children and Family Services (DCFS) has reviewed the June 21, 2012 amendments and indicates there are no programmatic or fiscal concerns with the amendments at this time. However, County Counsel has identified various concerns in their review of the June 21, 2012 amendments, such as the addition of new language to require a separate court file for a NMD case and the discretion of the county on whether to conduct criminal record checks of NMD's upon re-entry to THP. Our office is working with County Counsel and DCFS to evaluate the key concerns raised and address them with the bill's sponsors.

AB 1712 passed the Senate Judiciary Committee on July 3, 2012 and now proceeds to the Senate Appropriations Committee.

Legislation of County Interest – Infrastructure Financing Districts

Two bills addressing the provisions governing the infrastructure financing districts have been recently amended and are making their way through the committee process.

AB 2144 (Pérez), which as amended and passed by the Senate Committee on Governance and Finance on June 28, 2012, would make changes to Infrastructure Financing Districts (IFDs) to: 1) expand the types of facilities and projects that can be financed; 2) reduce the voter threshold for their creation and the issuance of bonds; 3) extend the life of an IFD from 30 to 40 years; 4) authorize an IFD to utilize the powers provided under the Polanco Redevelopment Act (Polanco Act) relating to hazardous cleanup; and 5) rename an IFD to Infrastructure and Revitalization Financing District (IRFD).

This bill is intended to provide cities with a more flexible development tool to finance public works projects, as well as a means to fund economic development, affordable housing, sustainable communities, and brownfield cleanup and mitigation in the absence of redevelopment. Under AB 2144, the County would retain its ability to opt-out of the property tax diversion for an IRFD proposed within its taxing jurisdiction.

Recent amendments to the bill added provisions which would:

- Allow the legislative body of the city forming the district to choose to dedicate any portion of its net available revenue (as defined) to the IRFD through the IRFD's financing plan; "Net available revenue" is defined as the periodic distributions to the city from the Redevelopment Property Tax Trust Fund that are available to the city after all current distributions have been made under the redevelopment agency dissolution process, including payment of enforceable obligations, all distributions to other taxing entities, and applicable administrative fees;
- Delete the statement of the intent of the Legislature that the area of the IRFD be substantially undeveloped;
- Amend Section 53395.3 of Government Code to identify the activities that the IRFD shall finance as "facilities or projects" rather than "public capital facilities or projects"; and
- Allow an IRFD to be divided into project areas, as defined, which may be subject to distinct limitations; "Project areas" are defined as the area within an IRFD in which the activities of the district share a common purpose or goal and an overall financing plan.
- Authorize negotiated sales of bond issuances of up to \$5 million and authorize competitive sale of bond issues in any amount.

AB 2144 is supported by the California Special Districts Association and opposed by the California Association of Realtors, California Taxpayers Associations, Fieldstead and Company, and the Howard Jarvis Taxpayers Association.

AB 2144 is awaiting a hearing in the Senate Appropriations Committee.

SB 214 (Wolk), which as amended in the Assembly Local Government Committee on June 18, 2012, would also make changes to the provisions governing infrastructure financing districts (IFDs) by 1) eliminating the requirement of voter approval to create an infrastructure financing district and for bond issuance; 2) revising the provisions

governing the public facilities that may be financed by an IFD; 3) authorizing a newly created public financing authority; 4) authorizing the public financing authority to enter into joint powers agreements with affecting tax entities with regard to non-taxing authority and powers only; 5) creating a public accountability committee to review the actions of the public financing authority; and 6) extending the date on which the IFD would cease to exist from no more than 30 to no more than 40 years from the date of adoption of the IFD financing plan.

SB 214 is similar to AB 2144 in its intent to create flexible, but rigorous, economic development tool to make easier for local agencies to use IFDs to pay for public projects without impacting school district's share of property tax or the state's general fund. It also expands the types of facilities that and IFD can finance to include flood management facilities, habitat restoration, and facilities and watershed land used for the collection and treatment of water for urban uses. Under SB 214, the County would retain its ability to opt-out of the property tax diversion for an IFD proposed within its taxing jurisdiction.

SB 214 differs from AB 2144 in that it proposes to eliminate the voting requirements to form and bond an IFD, rather than simply lowering those thresholds, and would instead authorize the public financing authority (the legislative body) to create the district, adopt a plan, and issue bonds. Additionally, SB 214 adds measures of programmatic and fiscal accountability, requiring IFDs to report on their progress and expenditures annually to both affected local taxing entities as well as landowners within the district. Failure to produce an annual report will result in the IFDs inability to spend any funds to construct public works projects until the report is submitted. Additionally, if an IFD fails to make progress towards its adopted goals for five consecutive years, it will be prohibited from spending funds to construct new projects, but will be allowed to complete projects which are underway. If an IFD fails, any excess property tax increment revenues would be reallocated to the affected taxing entities.

SB 214 is supported by the California Professional Firefighters, California Rural Legal Assistance Foundation, California Special Districts Association, California State Association of Counties, County of Yolo, and the Imperial County Board of Supervisors. The bill is opposed by the California Taxpayers Association and the Howard Jarvis Taxpayers Association.

SB 214 is awaiting a hearing in the Assembly Local Government Committee.

Each Supervisor
July 3, 2012
Page 8

This office will continue to work with the affected departments to monitor and analyze these bills and will keep the Board apprised of the potential County impact.

We will continue to keep you advised.

WTF:RA
MR:VE:IGEA:lm

c: All Department Heads
Legislative Strategist
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Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants